University of California Students and Parents

Dear Friends:

I am writing to provide an update on 2007-08 student fees and to share with you important financial aid information that I hope will help as you and your family plan your finances for the coming academic year.

As you may know, the UC Board of Regents recently approved student fee increases that will take effect with the summer 2007 term.

As a result, the upcoming billing statements you receive will reflect a 7 percent increase in annual mandatory systemwide fees for California-resident undergraduate and graduate academic students. Additionally, a temporary $60 surcharge will be applied to all enrolled students beginning in summer 2007. This surcharge was established to address the loss of revenue stemming from a class-action lawsuit by UC professional school students and will be assessed annually until the shortfall is replaced.

The estimated costs for 2007-08 are as follows:

**Resident Undergraduates**
Mandatory systemwide student fees for resident undergraduates will increase $435. This, in addition to the $60 surcharge, will bring total mandatory systemwide fees to $6,636. Adding in miscellaneous fees charged by individual campuses, total fees will average about $7,347.

**Resident Graduate Students**
Mandatory systemwide fees for resident graduate academic students will increase $433. This, in addition to the $60 surcharge, will bring total mandatory systemwide fees to $7,440. Adding in miscellaneous campus fees, total fees will average about $9,481.

**Nonresident Tuition**
In addition to mandatory systemwide fees, out-of-state students must pay nonresident tuition. For undergraduates, this tuition will increase 5 percent ($900) to $19,068. For graduate academic students, nonresident tuition will remain at $14,694. Adding in mandatory systemwide fees and campus fees, nonresident student charges, on average, will total about $27,027 for undergraduates and about $24,469 for graduate academic students.
University of California Students and Parents  
April 2007  
Page 2  

I know this increase comes at a time when many of you are grappling with growing pressures on your family budgets. At the same time, however, when we enroll students at the University of California, we commit to providing them with an education of the highest quality. The Regents and I believe that these fee increases are necessary to sustain the outstanding teaching and research programs our students expect and to ensure that all students continue to have access to the classes they need to graduate on time.

The fee increases also will help the University provide initial funding for one of its highest priorities: the enhancement of student mental health services. Universities nationwide are seeing a serious and growing need to provide more mental health services for students, and our Regents wanted to ensure we act promptly. Therefore, UC will set aside $22 per student from the Registration Fee increase resulting in approximately $4.6 million to fund initial enhancements to mental health services.

Keep in mind, too, that financial aid will increase along with fees. For undergraduates, the Governor has proposed a $16 million increase in Cal Grant awards to offset the mandatory systemwide fee increase for UC Cal Grant recipients. In addition, the University will dedicate 33 percent of new fee revenue to additional UC undergraduate financial aid. As a result, UC will generally be able to provide grants to cover 100 percent of the fee increase for on-time financial aid applicants whose families earn less than $60,000 a year. Other financially needy undergraduates from families with incomes up to $100,000 would receive a UC grant covering half of the fee increase. For graduate students, 45 percent of new fee revenue will be earmarked to help offset the impact of higher fees.

I know fee increases are never welcome. Given the ongoing fiscal challenges for the State of California, our planning framework with the Governor over the last several years has sought, at the very least, to make these increases moderate and more predictable than in the past, so our families are better equipped to plan.

Thank you for your understanding and for your support of our efforts to protect the quality of the UC student educational experience.

Sincerely,

Robert C. Dynes